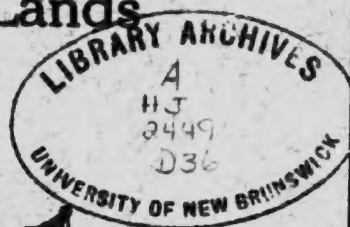
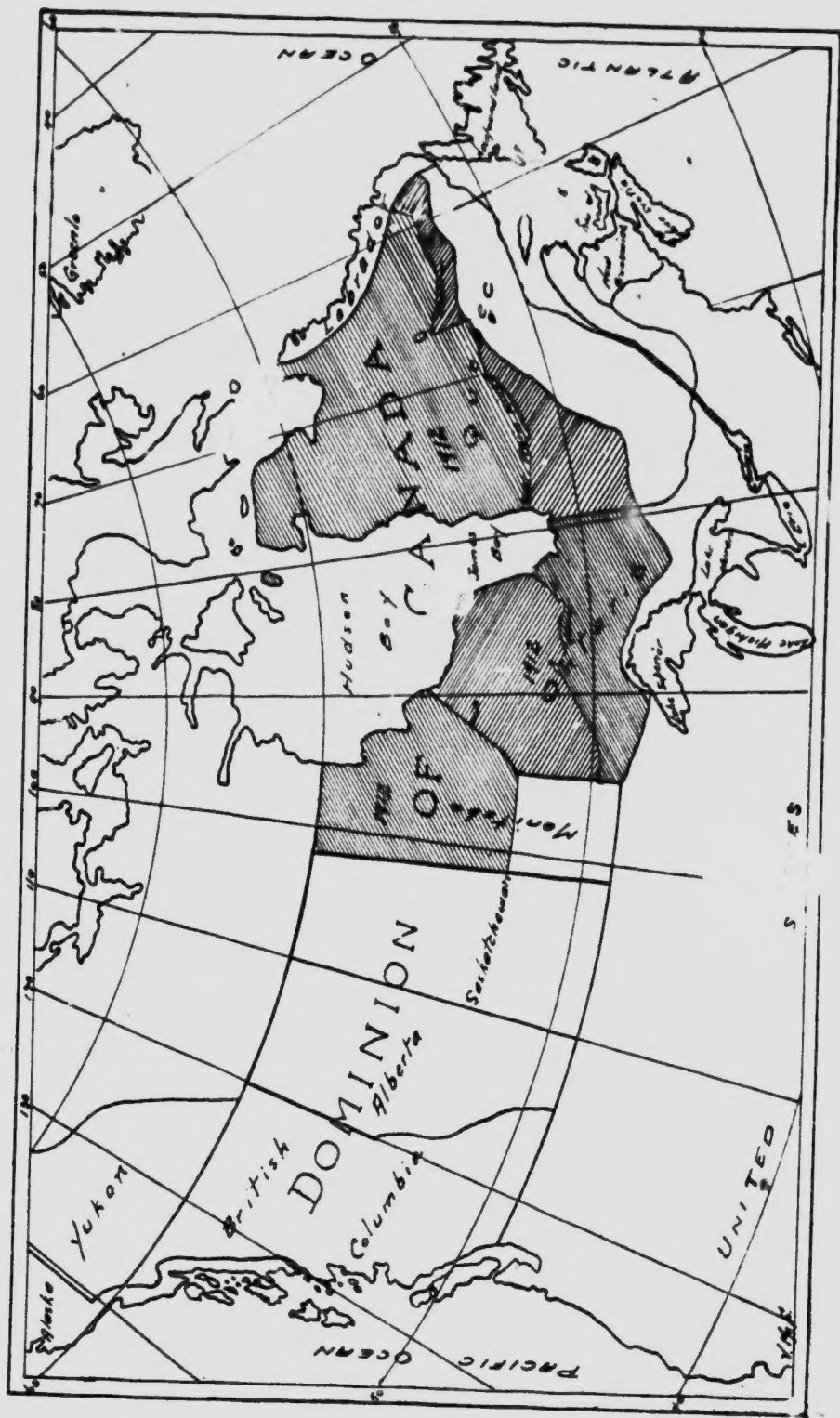


The Claims of the Maritime Provinces for Federal Subsidies in Lieu of Western Lands



An address delivered by
HON. O. T. DANIELS
at Maritime Education Convention
Moncton, N. B., Aug. 28, 1918



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IN 1670 King Charles II by letters patent granted to Prince Rupert and seventeen nobles and gentlemen a charter incorporating these under the corporate name of "The Governor and Company of Adventurers of England trading into Hudson Bay," and afterwards popularly known as the Hudson Bay Company. It recited that these adventurers at their own great cost had undertaken an expedition to Hudson Bay in order to discover a new passage into the south sea and find a trade for furs, minerals and other commodities, and had made such discoveries as encouraged them to proceed in their design. This adventure had evidently been made in the preceding year. One writer has referred to this charter as one of the most celebrated instruments that ever passed from Monarch to subject, and which, though almost incessantly in dispute, was perpetuated in full force through two centuries. By this charter there were granted to the Hudson Bay Company and its successors, the sole trade and commerce of all those seas, straits, bays, rivers, lakes, creeks and sounds in whatsoever latitude they should be that lay within the entrance of the straits commonly called Hudson Straits, together with all the land and territories upon the countries, coasts and confines of the seas, bays, lakes, rivers, creeks and sounds aforesaid . . . together with rights of government and other rights, privileges, liberties, franchises, powers and authorities; and that the said lands should be reckoned as one of Her Majesty's plantations or colonies in America and called Rupert's Land. The said Governor and Company and their successors became absolute lords and proprietors of the said territory. The said Company from the date of said letters patent enjoyed all their rights and privileges down to the date of the surrender of the same to the Crown, and probably exercised and assumed rights of government in other parts of British North America not forming part of Rupert's Land, or of Canada or of British Columbia, all, of course, subject to the sovereignty of Great Britain.

The British North America Act, 1867, an Imperial Act, not only provided for the union of the Provinces of Ontario, Quebec, New Brunswick and Nova Scotia, but contemplated the admission

of all British North America into the confederacy. Section 14 of said Act is as follows:

"It shall be lawful for the Queen by and with the advice of Her Majesty's most Honorable Privy Council, on addresses from the Houses of Parliament of Canada and from the Houses of the respective Legislatures of the colonies or Provinces of Newfoundland, Prince Edward Island and British Columbia, to admit those colonies or provinces or any of them into the Union; and on addresses from the Houses of Parliament in Canada to admit Rupert's Land and the North Western Territory or either of them into the Union, on such terms and conditions in each case as are in the addresses expressed and as the Queen thinks fit to approve, subject to the provisions of this Act; and the provisions of any Order in Council in that behalf shall have effect as if they had been enacted by the parliament of the United Kingdom of Great Britain and Ireland."

The embracing of the whole of British North America into one confederation was foreseen by the framers of the Federation Act, and at the first parliament of Canada an address was passed by both Houses representing the expediency and necessity of an early extension of the Dominion to the shores of the Pacific, and praying that Her Majesty might be pleased to unite Rupert's Land and the North Western Territory with the Dominion, and to grant to the Parliament of Canada authority to legislate for their future welfare and good government.

Negotiations were entered into between the British Government and the Hudson Bay Company for the surrender of Rupert's Land and the rights of Government powers and authorities which the Company possessed; and the Rupert's Land Act of 1868 was passed by the Parliament to effect this surrender, and by an Imperial Order in Council of June, 1870, these lands became part of the public domain of the Dominion of Canada with certain reservations by payment by Canada to the Company of £300,000 sterling. Trading posts had been established throughout the north west by the Company during its regime, and certain lands around these trading posts not exceeding 50,000 acres, were reserved by the Company. It was also provided that the Company may, for fifty years after the surrender, claim in any township or district within the fertile belt in which land is set out for settlement, grants of land not exceeding 1-20 part of the land so set out. The fertile belt was described as bounded on the South by the United States boundary, on the West by the Rocky mountains, on the North by the northern branch of the Saskatchewan, and on the East by Lake Winnipeg and Lake of the Woods, with the waters connecting them, and comprised about 300,000,000 acres.

In 1878, in order to remove all doubts about unoccupied territory, on an address of the Canadian Parliament, an Imperial Order in Council was passed annexing to the Dominion all British possessions in North America except Newfoundland. This finally completed the transfer to Canada of all the North West Territory popularly known as out western lands, as well as Ungava; and annexed areas estimated to comprise 2,300,000 square miles or 1,472,000,000 acres.

One cannot but refer in passing to the small payment exacted for Rupert's Land. It is a well known fact that some of the public men and even the Press of Great Britain at that time exhibited crass ignorance as to the possibilities of these lands. The treeless plains of the West were in some instances described as a desert almost rivalling in extent the great Sahara, and the whole country as inaccessible. The Company, which had bent practically all its energies to the prosecution of the fur trade, must have shared the same view, or the purchase could not have been made for £300,000. It could not have recognized that, as one has put it, the first six inches of soil of this vast domain was probably to be of more value than all the gold mines of the world.

It must be borne in mind that at the time of the acquiring of Rupert's Land, Canada comprised only the four Provinces of Ontario, Quebec, New Brunswick and Nova Scotia, and the financial responsibility of the purchase rested on these solely. British Columbia joined the Union in 1871 and Prince Edward Island entered the confederacy in 1873, and therefore were not parties to the purchase. In the same year of the purchase of Rupert's Land the Province of Manitoba was organized and admitted into the Confederation.

The original northern boundary of the Provinces of Ontario and Quebec was the height of land separating the rivers and streams flowing into Hudson Bay from those flowing into the St. Lawrence and the Great Lakes. The population of the Province of Quebec overflowed beyond the northern boundary, and this province then began to agitate for additions of territory to the north, to include in the first instance the area occupied by this overflow population. By an Act of the Federal Parliament passed in 1878 there was added to Quebec about 158,000 square miles. By subsequent legislation in 1912 there was added the whole of the Peninsula of Ungava, or about 354,961 square miles. In 1871 Quebec, according to the census returns, comprised 123,875,200 acres. By the Act of 1898 this was increased by 101,323,361 acres. By the Act of 1912 there was added 227,375,000 acres, making a total of 452,573,561 acres.

The annexed area to the Province of Quebec increased its

original area by more than 328,000,000 acres. Absolute title is given to these lands and they are Crown Lands for the use of the Province.

The Province of Ontario originally contained about 144,961,636 acres over which it exercised jurisdiction, and there was constant friction and disputes between Manitoba and Ontario over the boundary line between these Provinces. It was eventually settled after a judicial decision of the Privy Council, 1888, by the fixing of the boundary line whereby the Crown Lands known as New Ontario were given to the Province of Ontario. The Province of Manitoba was reduced in area about one half, through the annexing to Ontario and Keewatin of that portion of territory lying east of the Lake of the Woods and which was then called the Manitoba Extension. By this settlement about 22,000,000 acres were added to Ontario. In 1912 lands lying to the North of this Province, comprising about 93,696,000 acres, were given to Ontario, including a strip of land five miles wide and 250 miles long, extending to Hudson Bay.

Manitoba, after the reduction to which I have referred, had within its boundaries about 47,188,298 acres. In 1912 this northern boundary was extended to the same parallel which formed the northern boundary of the Provinces of Saskatchewan and Alberta, which were reorganized in 1905; and by this extension the 114,091,702 acres were transferred to this Province. This satisfied its ambitions territorially and gave it about the same territorial extent as the other prairie provinces.

After the acquisition of Rupert's Land, the Dominion entered upon the administration of these lands. Enormous sums have been spent in this direction, and every province of Canada has contributed. The Maritime Provinces have borne their share of the load uncomplainingly and have joined in the common pride over the progress and development of the West.

In 1872 an Act respecting the Public Lands of Canada was passed applying exclusively to the lands included in Manitoba and the northwest territories, and recites that whereas it is expedient to make provision in aid of education in Manitoba and the North West Territories, therefore Sections 11 and 29 in each and every surveyed township throughout the extent of the Dominion lands shall be and are hereby set apart as an endowment for purposes of education and all moneys realized from sale of lands to be invested in securities of Canada to form a school fund, the interest arising therefrom to be paid annually to Government of each province where lands are situate for support of Public Schools, to be expended as local Government thinks expedient. The lands that have been and will be set aside for school purposes throughout these provinces will be approximately as follows:

Manitoba, 1-18th of 161,280,000 acres.....	8,954,036 acres
Alberta, 1-18th of 163,782,400 acres.....	9,076,800 "
Saskatchewan, 1-18th of 161,788,000 acres.....	8,940,333 "
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	26,980,169 acres

No satisfactory estimate of the value of school land in the said Provinces can be given, as a large portion of the land is still unsurveyed. The average price realized at auction sales of school lands to 1st of January, 1913, was as follows:

Manitoba.....	\$ 9.73 per acre
Saskatchewan.....	14.54 "
Alberta.....	11.68 "
Average price.....	11.98 per acre

By a return brought down in the Parliament of Canada in January, 1913, the area of school lands then sold was as follows:

Manitoba.....	641,903.43 acres for \$ 6,247,302.30
Saskatchewan.....	610,928.78 acres for 8,883,121.68
Alberta.....	560,068.45 acres for 6,541,167.50
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	1,812,900.66 acres for \$21,671,590.48

In order to give further assistance to the Province of Manitoba for educational purposes 150,000 acres of public lands in that province were set apart for the University of Manitoba. At the average price of the lands sold in Manitoba, this would give the province about \$1,500,000 for University purposes. Apart from the interest from the present school fund at Ottawa there is more than 25,000,000 acres still to be disposed of, and at the average prices for which the lands to which I have referred have been sold will yield a fund in the vicinity of the \$300,000,000. The interest on such a fund would yield \$15,000,000 which divided between the Provinces would give each approximately \$5,000,000.

The tremendous additions to some of the Provinces of Canada have necessarily enhanced their position in the Confederacy by increasing their sources of revenue and enormously enlarging their spheres of influence, until the Maritime Provinces are feeling more and more the disproportion. The subsidies to these Provinces have become inequitable, and some of the leading statesmen of Canada have from time to time upheld their claim to more adequate compensations.

No territorial additions to the Atlantic Provinces could be expected by reason of their geographical position, and the only compensations that could be anticipated perhaps, are such increases to the subsidy account as would in some degree assist them in carrying on the responsibilities of local government.

When the public lands of the neighboring Republic were parcelled out among the various States of the Union, those States having no public lands were assisted out of the Federal Treasury for educational purposes. Following this precedent the Atlantic Provinces could expect at least financial consideration from the Dominion Treasury to assist in supporting and maintaining our educational institutions. It is apparent that our Western Provinces, by reason of the funds from school lands, can wrest from us our best teachers and thereby continuously depress the Maritime schools.

Representatives of these Provinces, previous to the outbreak of the war presented these views to the Dominion Government, not without hope that some adjustment would be made to remedy this unfair condition, but the opening of hostilities swept away any expectation of a present adjustment of subsidies. With the return of peace one of the first questions that should engage the attention of the Dominion authorities is the crying inequality of the subsidy account of the various Provinces of the Confederacy.

